



4015/032 Incoming

#4252

R

P.O. Box 910, East Carbon, Utah 84520 794 North "C" Canyon Rd, East Carbon, Utah 84520  
Telephone (435) 888-4000 Fax (435) 888-4002

Daron Haddock  
Permit Supervisor  
Utah Division of Oil, Gas and Mining  
P.O. Box 145801  
1594 West North Temple, Suite 1210  
Salt Lake City, Utah 84114-5801

RECEIVED

FEB 04 2013

DIV. OF OIL, GAS & MINING

January, 7, 2013  
Resubmitted January 30, 2013

Re: Permit renewal  
Crandall Canyon Mines  
C/015/032  
January, 7, 2013

Dear Mr. Haddock:

Attached you will find materials submitted to satisfy the requirements for Permit Renewal.

- 1) The approved mining and reclamation plan is on file with the Division.
- 2) A current certificate of liability insurance showing that adequate coverage exists.
- 3) Attached is the summary sheet showing adequate bond is in effect and escalated through the renewal period. The bonding calculations were recently redone in conjunction with the Burma Pond approval.
- 4) A copy of the proposed newspaper notice is attached for your review. Once approved UEI will publish and provide the required affidavit of publication.
- 5) A new 5-year mining sequence plan is shown on the attached map.
- 6) UEI does not anticipate any contemporaneous reclamation during the permit term.
- 7) UEI does not anticipate any additional lease application areas within the permit term.
- 8) There are no changes to the plan required by changes in the rules or regulatory requirements or by division Order. The additional water monitoring requirements will be added once the new PHC has been finally approved. Should be received by DOGM about the same time as this application.
- 9) The new Ownership and control information has been submitted for replacement of Appendix 1-9.

File in:

C/

Date

☒ Confidential

☐ Shelf

☐ Expandable

For additional information

Refer to:

Three copies of the application has been submitted for your review and approval.

A C1 and C2 form is being submitted with this application as well as a redline strike out of the mailing address changes found in Chapter 1.

If you have any questions please give me a call at (435) 888-4007.

Sincerely,

A handwritten signature in blue ink that reads "R. Jay Marshall". The signature is written in a cursive, flowing style.

R. Jay Marshall  
Resident Agent

PUBLIC NOTICE FOR PERMIT RENEWAL  
CRANDALL CANYON MINES  
P. O. BOX 1077  
PRICE, UTAH 84501

Genwal Resources, Inc., P.O. Box 1027, Price, Utah 84501, has filed application for a five year permit renewal (C/015/032) for its Crandall Canyon Mines with the Utah Division of Oil, Gas and Mining. The permit area is located in Huntington Canyon on the Rilda Canyon USGS quadrangle map. The description of the permitted area is as follows:

**Township 15 South, Range 6 East, SLBM**

Section 25: S  $\frac{1}{2}$ ,  
Section 26: S  $\frac{1}{2}$ ,  
Section 35: All, and  
Section 36: All

**Township 15 South, Range 7 East, SLBM**

Section 30: Lots 7-12, SE  $\frac{1}{4}$ ,  
Section 31: All, and  
Section 32: S $\frac{1}{2}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ , W $\frac{1}{2}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$ .

**Township 16 South, Range 6 East, SLBM**

Section 1: Lots 1-12, SE  $\frac{1}{4}$   
Section 2: All,  
Section 3: E $\frac{1}{2}$ E $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ , E $\frac{1}{2}$ E $\frac{1}{2}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$ , E $\frac{1}{2}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ ,  
and,  
Section 10: NE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ .

**Township 16 South, Range 7 East, SLBM**

Section 4: **Topsoil Stockpile #3** - Approximately 0.5 acres located within NW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ , (corresponding to boundary of Forest Service Special Use Permit issued 8/17/87);  
**Topsoil Stockpile #4** - Approximately 0.5 acres located within SW $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$  situated approximately 150' north of Topsoil Stockpile #3;  
Section 5: Lots 2, 3, 5, 6 and 8, SW $\frac{1}{4}$   
**Forest Service Special Use Area- Sediment Pond**: an area approximately 150' x 400' (1.5 acres) located within SW $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ , (corresponding to boundary of Forest Service Special Use Permit issued 7/28/83);  
**Topsoil Stockpile #1** - Approximately 0.2 acres located within SE $\frac{1}{4}$ SE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$ , (corresponding to boundary of Forest Service Special Use Permit issued 8/17/87);  
**Topsoil Stockpile #2** - Approximately 0.2 acres located within SW $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ , (corresponding to boundary of Forest

Service Special Use Permit issued 8/17/87); and

Section 6: Lot 1 S1/4NE1/4, Lots 2-4 (SW1/4NE1/4).  
Section 8: E1/2, NW1/4, and  
Section 9: NW1/4

**Township 17 South, Range 8 East, SLBM**

Section 5: Lot 6 Burma Pond

Total Permit Area: 6295.06 acres.

A copy of this application is available for inspection at the Division of Oil, Gas and Mining at 1594 West North Temple, Suite 1210, Salt Lake City, Utah. Comments, objections, or requests for an informal conference should be addressed to the Utah Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, P.O. Box 145801, Salt Lake City, Utah 84114-5801.



## APPLICATION FOR PERMIT PROCESSING

Permit Change ☐New Permit ☐Renewal ☐Transfer ☐Exploration ☐Bond Release ☐

Permit Number: 015/032

Title of Proposal: permit renewal (12-011)

Mine: GENWAL Mine

Permittee: GENWAL Resources, Inc.

Description, include reason for application and timing required to implement:.

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

☐ Yes ☐ No 1. Change in the size of the Permit Area? \_\_\_\_\_ acres Disturbed Area? \_\_\_\_\_ acres ☐ increase ☐ decrease.☐ Yes ☐ No 2. Is the application submitted as a result of a Division Order?☐ Yes ☐ No 3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?☐ Yes ☐ No 4. Does application include operations in hydrologic basins other than as currently approved?☐ Yes ☐ No 5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?☐ Yes ☐ No 6. Does the application require or include public notice/publication?☐ Yes ☐ No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?☐ Yes ☐ No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?☐ Yes ☐ No 9. Is the application submitted as a result of a Violation?☐ Yes ☐ No 10. Is the application submitted as a result of other laws or regulations or policies? Explain:☐ Yes ☐ No 11. Does the application affect the surface landowner or change the post mining land use?☐ Yes ☐ No 12. Does the application require or include underground design or mine sequence and timing?☐ Yes ☐ No 13. Does the application require or include collection and reporting of any baseline information?☐ Yes ☐ No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?☐ Yes ☐ No 15. Does application require or include soil removal, storage or placement?☐ Yes ☐ No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?☐ Yes ☐ No 17. Does the application require or include construction, modification, or removal of surface facilities?☐ Yes ☐ No 18. Does the application require or include water monitoring, sediment or drainage control measures?☐ Yes ☐ No 19. Does the application require or include certified designs, maps, or calculations?☐ Yes ☐ No 20. Does the application require or include subsidence control or monitoring?☐ Yes ☐ No 21. Have reclamation costs for bonding been provided for?☐ Yes ☐ No 22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?☐ Yes ☐ No 23. Does the application affect permits issued by other agencies or permits issued to other entities?☐ Attach 3 complete copies of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

R. J. Marshall 1/30/13  
Signed - Name - Position - Date

Subscribed and sworn to before me this 30<sup>th</sup> day of January, 2013.

My Commission Expires March 27, 2013  
Attest: Linda Kerns  
Notary Public  
STATE OF Utah  
COUNTY OF Darke



LINDA KERNS  
NOTARY PUBLIC • STATE of UTAH  
COMMISSION # 578211  
COMM. EXP. 03-27-2013

Received by Oil, Gas &amp; Mining

ASSIGNED TRACKING NUMBER





Bonding Calculations  
Crandall Canyon Mine C/007/032  
Revised

June 5, 2012

## Bond Summary

## Direct Costs

|                                  |                |
|----------------------------------|----------------|
| Subtotal Demolition and Removal  | \$772,145.67   |
| Subtotal Backfilling and Grading | \$552,982.72   |
| Subtotal Revegetation            | \$62,735.00    |
| Direct Costs                     | \$1,387,863.39 |

## Indirect Costs

|                         |              |       |
|-------------------------|--------------|-------|
| Mob/Demob               | \$138,786.00 | 10.0% |
| Contingency             | \$69,393.00  | 5.0%  |
| Engineering Redesign    | \$34,697.00  | 2.5%  |
| Main Office Expense     | \$94,375.00  | 6.8%  |
| Project Mainagement Fee | \$34,697.00  | 2.5%  |
| Subtotal Indirect Costs | \$371,948.00 | 26.8% |

Total \$1,759,811.39

Escalation factor 0.012  
Number of years 5  
Escalation \$108,153.00

Total Main Mine \$1,867,964.39

East Mountain \$404,619.00

Reclamation Cost 2015 \$2,272,583.39

Bond Amount (rounded to nearest \$1,000) \$2,273,000.00

Bond Posted 2011 \$2,327,000.00

Difference Between Cost Estimate and Bond \$54,000.00  
Percent Difference 2.38%

NOTE: GENWAL has posted a bond in the amount of \$720,000 for mine water treatment pursuant to the terms of the Board Order of March 6, 2012.





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/16/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

|  |  |
|--|--|
| PRODUCER<br>Reschini Agency, Inc.<br>922 Philadelphia Street<br>P.O. Box 449<br>Indiana PA 15701                         | CONTACT<br>NAME: Karen Williams<br>PHONE (A/C No.): (724) 349-1300<br>FAX (A/C No.): (724) 349-1446<br>E-MAIL: kwilliams@reschini.com<br>ADDRESS: kwilliams@reschini.com |
| INSURED<br>Genwal Resources, Inc.<br>A Subsidiary of UtahAmerican Energy, Inc.<br>6750 N. Airport Road<br>Price UT 84501 | INSURER(S) AFFORDING COVERAGE<br>INSURER A: Federal Insurance Company NAIC # 20281<br>INSURER B:<br>INSURER C:<br>INSURER D:<br>INSURER E:<br>INSURER F:                 |

## COVERAGES

CERTIFICATE NUMBER: Genwal 12-13

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE   | ADDL SUBR INSR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS   |
|----------|---|--------------------|---------------|-------------------------|-------------------------|--|
| A        | GENERAL LIABILITY   |                    |               |                         |                         |  |
|          | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY  |                    |               |                         |                         | EACH OCCURRENCE \$ 1,000,000                           |
|          | <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR                            |                    | 37104410      | 5/1/2012                | 5/1/2013                | DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 |
|          |   |                    |               |                         |                         | MED EXP (Any one person) \$ 10,000                     |
|          | GEN'L AGGREGATE LIMIT APPLIES PER:  |                    |               |                         |                         | PERSONAL & ADV INJURY \$ 1,000,000                     |
|          | <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC |                    |               |                         |                         | GENERAL AGGREGATE \$ 2,000,000                         |
|          | AUTOMOBILE LIABILITY  |                    |               |                         |                         | PRODUCTS - COM/OP AGG \$ 2,000,000                     |
|          | <input type="checkbox"/> ANY AUTO   |                    |               |                         |                         |  |
|          | <input type="checkbox"/> ALL OWNED AUTOS  |                    |               |                         |                         | COMBINED SINGLE LIMIT (Ea accident) \$                 |
|          | <input type="checkbox"/> HIRED AUTOS  |                    |               |                         |                         | BODILY INJURY (Per person) \$                          |
|          | <input type="checkbox"/> SCHEDULED AUTOS  |                    |               |                         |                         | BODILY INJURY (Per accident) \$                        |
|          | <input type="checkbox"/> NON-OWNED AUTOS  |                    |               |                         |                         | PROPERTY DAMAGE (Per accident) \$                      |
|          | UMBRELLA LIAB   |                    |               |                         |                         |  |
|          | EXCESS LIAB   |                    |               |                         |                         | EACH OCCURRENCE \$                                     |
|          | <input type="checkbox"/> OCCUR  |                    |               |                         |                         | AGGREGATE \$   |
|          | <input type="checkbox"/> CLAIMS-MADE  |                    |               |                         |                         |  |
|          | DED <input type="checkbox"/> RETENTION \$   |                    |               |                         |                         |  |
|          | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY   |                    |               |                         |                         |  |
|          | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)                               |                    |               |                         |                         | WC STATUTORY LIMITS OTH-ER                             |
|          | If yes, describe under DESCRIPTION OF OPERATIONS below  |                    |               |                         |                         | E.L. EACH ACCIDENT \$                                  |
|          |   |                    |               |                         |                         | E.L. DISEASE - EA EMPLOYEE \$                          |
|          |   |                    |               |                         |                         | E.L. DISEASE - POLICY LIMIT \$                         |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
Crandall Canyon Mines Act 015/032. Should any of the above described policies be changed and/or cancelled before the expiration date thereof, the issuing company will mail (certified) 45 days written notice to the certificate holder. General Liability Coverage is inclusive of XCU Coverage.

## CERTIFICATE HOLDER

## CANCELLATION

State of Utah Dept of Natural Resources  
Division of Oil, Gas & Mining/STE1210  
Attn: Daron Haddock  
1594 W. N. Temple, Box 145801  
Salt Lake City, UT 84114-5801

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Karen Williams/KAREN

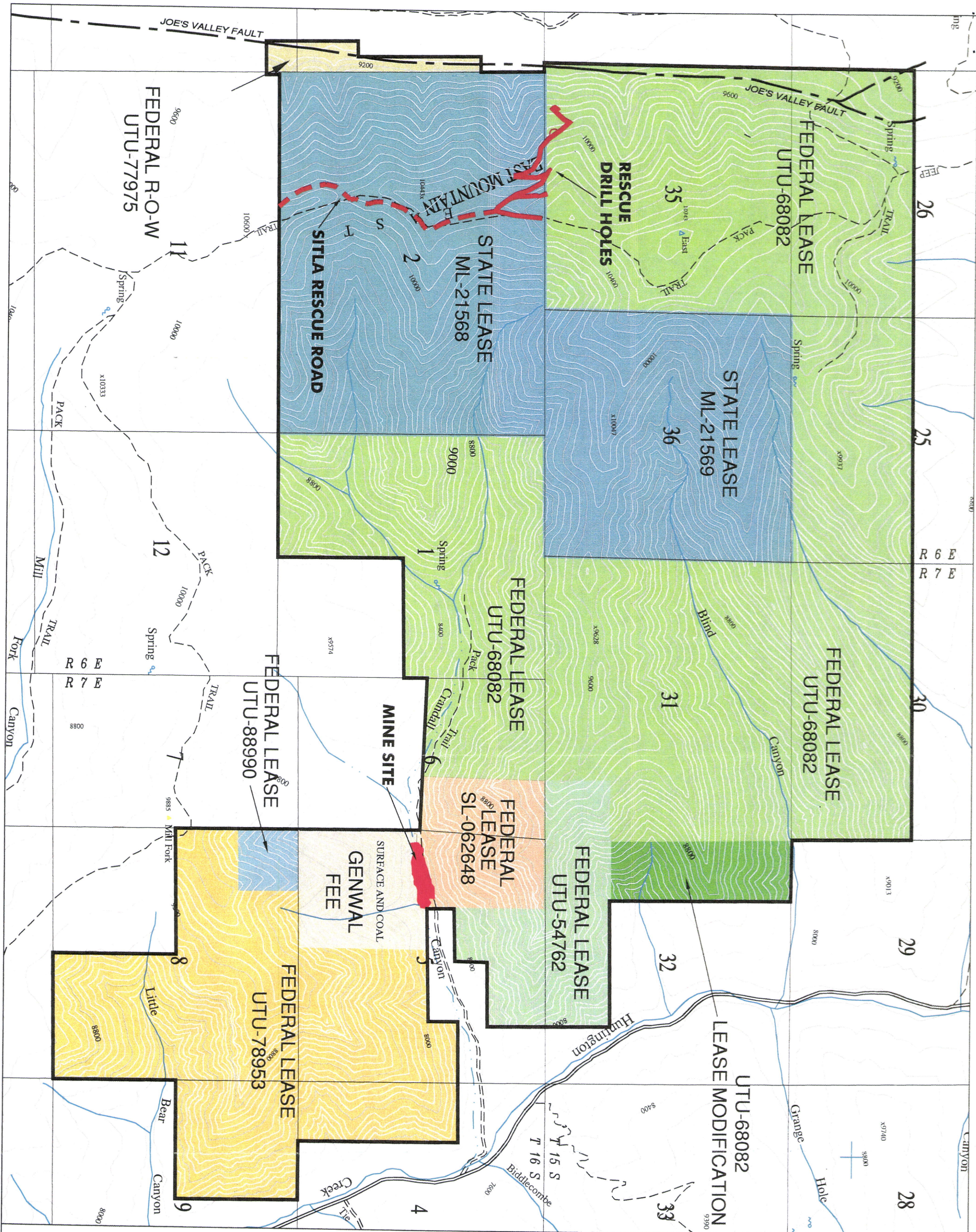
ACORD 25 (2010/05)

INS025 (201005).01

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**LEGEND**

UDOGM PERMIT BOUNDARY

MINE SURFACE FACILITIES

THE PERMIT AREA IS ENTIRELY WITHIN THE MANTI - LA SAL NATIONAL FOREST



**GENWAL™**  
RESOURCES, INC.  
P.O. Box 1077, 794 North "C" Canyon Rd, Price Utah  
Telephone: (435) 888-4000

**CRANDALL CANYON MINE  
LEASE / PERMIT AREA MAP**

|                 |                     |
|-----------------|---------------------|
| REV: 10         | ACAD: LEASE SOCRAN9 |
| DATE: 6-20-08   | BY: JDS             |
| SCALE: 1"=2000' | PLATE #: 1-1        |

